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Conference

UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO

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PROMESA

THE GOVERNMENT DEVELOPMENT,
BANK FOR PUERTO RICO,

Title VI

Applicant.

Case No. 18-1561-LTS

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IN RE: THE FINANCIAL
OVERSIGHT and MANAGEMENT BOARD
FOR PUERTO RICO,

as representative of,

Case No. 17-BK-3283 (LTS)

THE COMMONWEALTH OF PUERTO
RICO, ET AL.,

Debtors.

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THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS OF THE
DEBTORS (OTHER THAN COFINA),

Plaintiff,

v.

Adv. Proc No. 18-00101 (LTS)

THE COMMONWEALTH OF PUERTO
RICO, THE PUERTO RICO FISCAL
AGENCY AND FINANCIAL ADVISORY
AUTHORITY, THE GOVERNMENT,

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New York, N.Y.

October 3, 2018
2:00 p.m.

Before:

HON. LAURA TAYLOR SWAIN,

District Judge

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APPEARANCES

O'MELVENY & MYERS LLP

Attorneys for Applicant

BY: DANIEL CANTOR, ESQ

PETER FRIEDMAN, ESQ.

MATTHEW KREMER, ESQ.

PAUL HASTINGS LLP

Attorneys for Unsecured Creditors Committee

BY: LUC DESPINS, ESQ.

NICHOLAS BASSETT, ESQ.

PROSKAUER ROSE LLP

Attorneys for Financial Oversight and Management Board

BY: MARTIN BIENENSTOCK , ESQ.

EHUD BARAK, ESQ.

PAUL POSSINGER, ESQ.

MARGARET DALE

WILLKIE FARR & GALLAGHER LLP

Attorneys for COFINA

BY: JOSEPH MINIAS, ESQ.

THE COURT: Buenos tardes. Please be seated.

(Case called)

THE COURT: Again, good afternoon to all who are here
and to all who are observing in San Juan and by telephone.

I understand there is an application.

MR. FRIEDMAN: Good afternoon, your Honor.

Peter Friedman, from O'Melveny & Myers, on behalf of
FOMB, as well as GDB.

THE COURT: Good afternoon.

MR. FRIEDMAN: Your Honor, essentially, counsel to the
committee, counsel to the Oversight Board and we have done what
lawyers do and we're talking about if there's a way to resolve

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1 the issue. Given the stakes of today's hearing, we think it
2 would be wise to continue to discuss issues and see if there's
3 a possible resolution and therefore, we request that the Court
4 adjourn the hearing till Friday morning at ten a.m.

5 We apologize for the inconvenience to the Court but
6 request that you grant the application to adjourn the hearing
7 till then.

8 THE COURT: Potentially productive discussions and
9 having discussions go on in a matter as significant and as
10 wide-ranging as these proceedings are, is a good thing and I
11 have confirmed that ten a.m. on Friday is available on my
12 calendar and the observation facilities will also be available
13 in San Juan on Friday at ten a.m. Atlantic Standard Time, which
14 is the same as Eastern Daylight Time.

15 So the adjournment request is granted and I trust that
16 the parties will keep me posted if there are any developments
17 that obviate the need for returning for the hearing on Friday.

18 MR. FRIEDMAN: Yes, your Honor.

19 And one housekeeping request. Should we submit a
20 renewed request to bring devices into the courtroom?

21 THE COURT: The device permissions will carry over.
22 Notices of appearance and court solutions definitely carry over
23 and we will check internally and put up a notice on ECF saying
24 whether the devices request need to be made again or whether
25 they will carry over. It looks to me, I am being told we can

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1 carry them over. Yes, they will carry over. They don't need
2 to be renewed.

3 MR. FRIEDMAN: Thank you, your Honor.

4 And we did fill out the form that was requested and
5 Mr. Kremer delivered it to the clerk, so that will continue to
6 stand for Friday if we do need it.

7 THE COURT: The order of speakers and time
8 allocations?

9 MR. FRIEDMAN: Yes, your Honor.

10 THE COURT: Thank you.

11 I have it and we'll hold on to it and that will govern
12 on Friday.

13 MR. FRIEDMAN: Thank you, your Honor.

14 THE COURT: Thank you.

15 And Mr. Despins.

16 MR. DESPINS: Good afternoon, your Honor.

17 With your Honor's permission, I would like to address
18 a case management issue not related GDP and I promise not
19 controversial and not argumentative.

20 THE COURT: All right. Is this something that you've
21 ventilated with your colleagues here?

22 MR. DESPINS: With the COFINA agent. This is related
23 to the order you entered last week. So, yes, I have.

24 THE COURT: All right. Please go on.

25 MR. DESPINS: As your Honor will recall, you granted

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1 that order that terminated without prejudice to the various
2 summary judgment motions?

3 THE COURT: Yes.

4 MR. DESPINS: And we understand why you did that and
5 there's no issues with that. The only problem is that there's
6 a technical glitch because if you will recall, the account
7 neutrality order was keyed off the abeyance period. So if the
8 abeyance period terminates, then the account neutrality
9 provision trails off after 30 days.

10 So we were going to come back to your Honor soon --
11 and we wanted to tell you this -- to try to address that glitch
12 because I expected it was not the intention of the Court to
13 change the landscape by entering that order.

14 THE COURT: No. And if it helps, conceptually it
15 seems to me that terminating the motion without prejudice is an
16 indication that the Court is not acting on that motion until
17 and unless it's restored, at which point it gets restored to
18 the same place. So that's a form of abeyance. But if you wish
19 to ask for some sort of stipulated or agreed order that would
20 make that clear or deals with it differently for statistical
21 and recordkeeping purposes, I am open to hear you on that but
22 it was not my intention to do violence to any of the
23 arrangements that have been made simply to address the
24 statistical issues.

25 MR. DESPINS: Understood. Thank you, your Honor.

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1 THE COURT: Thank you, all.

2 There appears to be nothing further and so, we are
3 adjourned. Keep well, everyone.

4 (Adjourned)

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1 UNITED STATES DISTRICT COURT)
2) ss.
3 OF PUERTO RICO)

4 REPORTER'S CERTIFICATE

5
6 I, Sonya Ketter Moore, do hereby certify that the
7 above and foregoing pages, consisting of the preceding 155
8 pages constitutes a true and accurate transcript of our
9 stenographic notes and is a full, true, and complete transcript
10 of the proceedings to the best of our ability.

11 Dated this 3rd day of October, 2018.

12 Sonya Ketter Moore _____

13 Sonya Ketter Moore, RPR, CSR

14 Official Court Reporter

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